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Approved For Release 2003/04/17 : CIA-RDP78B05171A000800060090-7

NPIC/TSSG/DED-1699-69  
1 July 1969

MEMORANDUM FOR : Chief, Programs & Planning Staff, TSSG

ATTENTION :

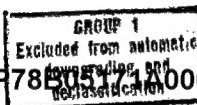
SUBJECT : Miscellaneous Service Contract with

1. It is my understanding that there were some questions concerning the allocation of  for electronic services under the FY-70 budget for Miscellaneous Services. These questions arose because we had budgeted in FY-69 for  in this area and had not utilized it. There are two major factors involved. In previous years we had allocated about  per year, most of which had been utilized in making modifications to the  equipment which is used to put our digital equipment on-line to the central computer.  has been highly useful in this capacity because (1) they are a local concern, and (2) they have all the necessary tickets. This has permitted us to make some of these necessary modifications in a fast-response manner, interfering as little as possible with Center operations. The amount for FY-69 was increased to  anticipating a major effort in digitizing a fiber optic viewer. We were unable to do this because  discovered some mechanical deficiencies and errors in methodology of the fiber optic viewer ways. These problems obviously had to be taken care of first. In addition, the Photogrammetric Division of IEG went through a series of oscillations and their position, concerning whether they did or did not want it to be digitized. This was finally resolved late in FY-69, but too late to utilize the funding. It should be pointed out at this time that the amount of  was surfaced from the Third Quarterly Review for use elsewhere in the Center and could have been surfaced in December if some of the other problems had been resolved.

2. It should be noted that the funding for FY-70 is back to the normal allocation. This is essentially contingency funding. DED requires the capability for fast response for minor modifications in the electronics area. For an example, if the  equipment breaks down, this is a maintenance problem. However, if the  equipment continues to break down and spends more time in maintenance than it does in operation, then obviously some design changes are required. Minor design changes are the types of things that we have used  to do (redesign the circuitry, rewiring, substitution of transistors for tubes, etc.). Normally, these

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problems are too small individually to justify the complexity, cost, and time involved in going out on individual contracts, thus they are much more amenable to a time and materials class of arrangement. This system has worked very effectively in the past with a minimum of interference to the operations of the Center. The problem still remains. The contingencies must be planned for. The fact that the contingencies did not arise in FY-69 is no reason for anticipating that we will not have such contingencies in FY-70. As a consequence, the contract should be approved as requested at the amount specified.

[REDACTED]  
Chief, Development & Engineering Division,  
TSSG

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Distribution:

Original - Addressee

2 - NPIC/TSSG/DED

NPIC/TSSG/ded [REDACTED] July 69

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